



Important Law Changes Applicable to Party Committees

Public Act 11-48

Timing of Filings

Public Act 11-48 (The Act) requires that hand-delivered or mailed financial disclosure statements be **received by 5:00 p.m. on the deadline day** – therefore, **having a statement postmarked on the deadline date is no longer sufficient** if it is not received by the Commission's office by 5:00 p.m. on the deadline day. Committees using the Commission's Electronic Campaign Reporting Information System ("eCRIS") have until 11:59 p.m. on the due date to submit such statements.

Seventh Day Preceding the Election Filings

The Act changed the applicable reporting period for the Seventh Day Preceding Primary (if applicable) or Seventh Day Preceding Election Filings. Under the old law, the ending date for the reporting period was the seventh day preceding the filing deadline. This ending date has been extended and is now the **second day preceding the filing deadline**. So, for example, if the filing deadline falls on October 28th, under the old law the report would include all transactions through October 21st and under the new law the report will include all transactions through October 26th.

Reporting Receipt of Organization Expenditures

Candidates who receive the benefit of organization expenditures made by Party Committees, Legislative Leadership or Legislative Caucus Committees no longer are required to report the receipt of these organization expenditures in Section M of the SEEC Form 30 – such reporting is now optional. However, **Party Committees**, Legislative Leadership or Legislative Caucus Committees **who make organization expenditures** (1) **must still report such expenditures** and (2) **must still send a notice** of the organization expenditure to the benefitting committees. The Commission will post a listing of the organization expenditures made on its website.

Changes to Certain Contribution Exemptions

1) Volunteer Services

Under existing law, volunteer services provided by individuals are not considered contributions. The Act clarifies that an individual volunteering his or her personal time is considered a volunteer if he or she is not receiving compensation for the services provided, regardless of whether the individual received compensation in the past or will receive compensation in the future.

2) Business Entity Discount

Under existing law, a business entity or other vendor may sell food and beverages to a party committee at a discount as long as the charge is not less than the cost to the vendor and the cumulative value of the discount does not exceed \$400 with respect to any calendar year. The Act increases this exemption from \$400 to **\$600**.

3) House Party Exemption

The Act modifies the house party provision considerably. Under the new provision, an individual or individuals hosting an event at his or her residential premises (or a community room in the individual's residential facility) may provide a party committee with the cost of invitations, food and beverages to the extent that:

- The cumulative value for any **single event hosted by an individual** on behalf of any party committee does not exceed **\$400** with respect to any calendar year; or
- The aggregate, cumulative value for **several events hosted by an individual** on behalf of any party committee does not exceed **\$800** per calendar year; or

- The cumulative value for any **single event hosted by two or more individuals** on behalf of any party committee does not exceed **\$800** per calendar year, provided at least one of the hosting individuals owns or resides at the residential premises.

Note that if the house party is NOT a fundraiser, individuals may also bring food or beverages to the event to the extent that the value of the food or beverage does not exceed \$50 -- this donation is not considered a contribution (discussed below).

4) Donations or Purchases at Fundraising Affairs

Existing law allows individuals to donate or purchase items at a party committee fundraising affair without these donations or purchases being considered a contribution as long as they do not exceed \$50 in value. The Act increases this exemption from \$50 to **\$100**. In addition, party committee treasurers are no longer required to itemize the names of individuals who *purchase* items at a fundraising affair on the SEEC Form 20 in Section L2 as long as the aggregate value of the items does not exceed \$100. They will, however, be required to report the total proceeds from the fundraiser purchases. Treasurers must continue to itemize donations for fundraisers in Section L4.

5) Ad Books

Existing law permits **town committees** to sell advertising space in a program book for a fundraising affair as long as the purchase does not exceed \$250 by a business entity or \$50 by any other person (i.e. another committee, individual, or labor union) in a calendar year. Although the amount of this exemption did not increase, the Act expands this exemption to include the purchase of advertising space on signs at a fundraiser.

6) Business Entity Donations

Existing law allows business entities to donate its goods or services to a party committee for a fundraising affair without these donations being considered a contribution as long as they do not exceed \$100 in value. The Act increases this exemption from \$100 to **\$200**.

7) De Minimis Campaign Activity

The Act clarifies that *de minimis* campaign activities exempted from the definition of contribution include:

- Receiving and sending, without compensation, e-mail or messages;
- Creation by volunteers of electronic or written communications, including ongoing content development and delivery of social media on the Internet or a phone.
- Use by someone of personal items customarily associated with occupying a residence or donation of personal property customarily used for campaign purposes to the extent that it does not exceed \$100 in value;

Note that although *de minimis* committee communications are not contributions they still require the committee's attribution.

8) Donation of Food or Beverage for a Non-Fundraiser

Existing law allows individuals to bring food or beverages to a meeting, event or activity that is NOT a fundraising affair without these donations being considered a contribution as long as they do not exceed \$50 in value. Although the amount of this exemption did not increase, treasurers must no longer itemize the receipt of such food and beverage provided for a non-fundraiser as long as the aggregate value of the food and beverage does not exceed \$50.

9) Security Deposits

Existing law treats security deposits made by an individual for a committee's phone service as a non-contribution provided he or she receives a refund. The Act extends this exemption to cover such security deposits made by individuals to other utility companies.

Contributions from a Joint Checking Account

Under the old law, contributions written from a joint checking account were considered to be from the signer of the check or, if signed by more than one account holder, divided equally. Under the new law, if account holders do not wish the check to be divided equally, they may submit a signed written statement (e.g. a certification card) with the check indicating how the contribution should be allocated differently.

Anonymous Contributions Prohibited

Under the old law, committees could receive up to \$15 in anonymous contributions. **The Act prohibits the receipt of anonymous contributions of any amount to any committee** and requires treasurers to remit them to the Commission for deposit in the General Fund.

Testimonials

The Act modifies the law regarding testimonial affairs to allow town committees to honor elected officials and candidates at town committee fundraisers.